UNITED STATES DISTRICT COURT CENTRAL DISTRICT OF CALIFORNIA

CIVIL MINUTES – GENERAL

Case Nos. 2:24-cv-01019-JLS-AJR	Date: May 01, 2024
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Title: Arsen Karapetyan v. Allstate Northbrook Indemnity Company

Present: Honorable JOSEPHINE L. STATON, UNITED STATES DISTRICT JUDGE

<u>Charles Rojas</u> N/A

Deputy Clerk Court Reporter

ATTORNEYS PRESENT FOR PLAINTIFF: ATTORNEYS PRESENT FOR DEFENDANTS:

Not Present Not Present

PROCEEDINGS: (IN CHAMBERS) ORDER (1) TO SHOW CAUSE WHY SANCTIONS SHOULD NOT BE IMPOSED; AND (2) VACATING HEARING ON DEFENDANT'S MOTION TO DISMISS (Doc. 17)

On April 4, 2023, Plaintiff Arsen Karapetyan filed an action against Defendant Allstate Northbrook Indemnity Company in the Central District of California, alleging claims for breach of contract and breach of the implied covenant of good faith and fair dealing arising out of an insurance policy Karapetyan had purchased from Allstate. (*See* Arsen Karapetyan v. Allstate Insurance Company et al, No. 2:23-cv-02522-SPG-JC,("Prior Action") Docs. 1 & 18.) Pursuant to a stipulation, the court entered judgment in favor of Allstate on February 2, 2024. (*Id.*, Doc. 29.) Four days later, Karapetyan filed this action against Allstate arising out of the same insurance policy. (Compl., Doc. 1.) Thereafter, Allstate moved to dismiss, asserting claim preclusion and attaching the docket from the Prior Action.

Local Rule 83-1.3.1 of the Central District provides in relevant part:

It shall be the responsibility of the parties to promptly file a Notice of Related Cases whenever two or more civil cases filed in this District: (a) arise from the same or a closely related

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transaction, happening, or event; (b) call for determination of the same or substantially related or similar questions of law and fact; or (c) for other reasons would entail substantial duplication of labor if heard by different judges. . . . The Notice of Related Cases must include a brief factual statement that explains how the cases in question are related under the foregoing factors. All facts that appear relevant to such a determination must be set forth.

L.R. 83-1.3.1 (paragraph structure altered). The Local Rule makes clear that if any of the above factors is present, the filing of such a notice is not optional; the parties are to describe the relevant facts, and the Court makes the final determination as to relatedness.

Moreover, the Civil Cover Sheet filed in every case provides counsel with the language of Local Rule 83-1.3.1, and directly asks whether the case being filed is related to any previous case filed in this Court. Here, Plaintiff's counsel responded "no," and signed the form attesting to that. (Doc. 2 at 3.) Thereafter, no party filed the required Notice of Related Case.

It was only upon review of the parties' filings that the Court has become aware of Prior Action.

Accordingly, the parties are ORDERED TO SHOW CAUSE by written declaration within five days of this Order as follows:

• As to Plaintiff, why he and/or his counsel should not be sanctioned for (1) affirmatively representing in the Civil Cover Sheet that no related case had previously been filed, and (2) failing to file a Notice of Related Case.

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• As to Defendant Allstate, why it and/or its counsel should not be sanctioned for failing to file a Notice of Related Case.

Further, the parties are ORDERED to comply with Local Rule 83-1.3.1. Finally, the hearing on Allstate's motion to dismiss (Doc. 17) is VACATED.

Initials of Deputy Clerk: cr